

§7913. Contents of Proposal

A. Any proposal referred to in this directive must:

1. be dated and signed by the insurance agent;
2. state the name and the company in which the life insurance is to be written;
3. state that the purchaser has the right to purchase life insurance only, equity products only, or both life insurance and equity products;
4. contain no misrepresentation or false, deceptive or misleading words, figures or statements. It must be accurate and complete and state all facts without which the proposal would have the capacity or tendency to mislead or deceive;
5. show the premium charged for life insurance separately from any other charge;
6. if values which may accrue prior to the death of the insured are involved in the presentation, show the value of the life insurance policy separately from any other values;
7. show, if it is involved in the presentation, the amount of the death benefit for the life insurance separately from any other benefit which any accrue upon the death of the insured;
8. set forth all matters pertaining to life insurance separately from any matter not pertaining to life insurance;
9. set forth policy numbers, name of company, face values and cash values of all existing policies of the insured, which are to be surrendered if the proposal is accepted.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Commissioner of Insurance, March 1, 1969.

§7915. Statement to Be Separate

A. Any bill, statement, draft, or representation sent or delivered to any prospect or policyholder must show the premium charged for the life insurance and any other information mentioned concerning life insurance separate from any other charge or value shown in the same billing, but nothing in §7915 shall prevent the total of the premium charge for life insurance with any other charge or value shown in the same billing to arrive at the total billing charge.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Commissioner of Insurance, March 1, 1969.

§7917. Maintenance of File by Company

A. File of Advertising and Other Sales Material. Each insurance company to whom this rule applies shall maintain at its home or principal office a complete file containing every printed, published or prepared advertisement, advertisement material, sales literature and sales aid of any other kind used in connection with the correlated sale of life insurance and equity products as may hereafter be prepared or disseminated in this state, with a notation attached to each such piece of material which shall indicate the manner and extent of distribution, the nature of use and the form number

of any policy issued in connection with such correlated plan and such document. Such file shall be subject to regular and periodic inspection by the Department of Insurance of the state of Louisiana. All such material shall be maintained in the file for a period of not less than three years.

B. Certificate of Compliance. Each insurer required to file an annual statement which is now or which hereafter becomes subject to the provisions of Regulation 29 must be file with this department, together, with its annual statement, a certificate executed by an authorized officer of the insurer wherein it is stated that, to the best of his knowledge, information and belief, the advertisement, advertising material, sales literature and sales aids which were disseminated by the insurer during the preceding statement year comply or were made to comply in all respects with the provisions of the insurance laws of this state as implemented and interpreted by this directive.

C. Companies in violation of this directive shall be subject to having their certificate of authority to transact business in Louisiana revoked or suspended, and agents in violation of this rule shall be subject to having their agent's license suspended or revoked or a fine not to exceed \$500.00 levied for each violation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Commissioner of Insurance, March 1, 1969.

§7919. Effective Date

A. This directive shall become effective March 1, 1969.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Commissioner of Insurance, March 1, 1969.

Chapter 81. Regulation 30C

Certificates of Insurance Coverage

§8101. Certificates of Insurance

A. It has come to the attention of this department that certificates of insurance for automobile and general liability insurance are being executed by companies or their agents. certificates of insurance are pre-printed forms that many large corporations require persons or contractors employed by them to furnish to prove that they have insurance.

B. Some of these certificates purport to enlarge or vary the policy of insurance involved. When this is attempted, it is in violation of Louisiana Revised Statute 22:620 which requires that companies obtain approval of all endorsements that are used in the state of Louisiana.

C. Therefore, in order to avoid any misunderstanding of the effect of any certificate of insurance signed by an insurance company or its agent, any such certificate must contain the following or similar language:

This certificate of insurance neither affirmatively nor
negatively amends, extends or alters the coverage afforded by
Policy Number _____ issued by
_____.

D. Companies shall inform their agents of the contents of this regulation. Please acknowledge receipt of this regulation promptly.

AUTHORITY NOTE: Promulgated in accordance with R.S. 22:2.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Commissioner of Insurance, April 23, 1969.

Chapter 83. Regulation 35 **Variable Life Insurance Model Regulation**

§8301. Definitions

A. As used in Regulation 35:

Affiliate of an Insurer Any person, directly or indirectly, controlling, controlled by, or under common control with such insurer; any person who regularly furnishes investment advice to such insurer with respect to its separate accounts for which a specific fee or commission is charged; or any director, officer, partner, or employee of any such insurer, controlling or controlled person, or person providing investment advice or any member of the immediate family of such person.

Agent Any person, corporation, partnership, or other legal entity which is licensed by this state as a life insurance agent.

Assumed Investment Rate The rate of investment return which would be required to be credited to a variable life insurance policy, after deduction of charges for taxes, investment expenses, and mortality and expense guarantees to maintain the variable death benefit equal at all times to the amount of death benefit, other than incidental insurance benefits, which would be payable under the plan of insurance if the death benefit did not vary according to the investment experience of the separate account.

Benefit Base The amount to which the net investment return is applied.

Commissioner The Insurance Commissioner of this state.

Control (including the terms *controlling*, *controlled by*, and *under common control with*) The possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract other than a commercial contract for goods or non-management services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. Control shall be presumed to exist if any person, directly or indirectly, owns, controls, holds with power to vote, or holds proxies representing more than 10 percent of the voting securities of any other person. This presumption may be rebutted by a showing made to the satisfaction of the commissioner that control does not exist in fact. The commissioner may determine, after furnishing all persons in interest notice and opportunity to be heard and making specific findings of fact to support such determination, that control exists in fact, notwithstanding the absence of a presumption to that effect.

Flexible Premium Policy Any variable life insurance policy other than a scheduled premium policy as specified in the definition of *scheduled premium policy*.

General Account All assets of the insurer other than assets in separate accounts established pursuant to Section 1500 of the insurance laws of this state, or pursuant to the corresponding Section of the insurance laws of the state of domicile of a foreign or alien insurer, whether or not for variable life insurance.

Incidental Insurance Benefit All insurance benefits in a variable life insurance policy, other than the variable death benefit and the minimum death benefit, including but not limited to, accidental death and dismemberment benefits, disability benefits, guaranteed insurability options, family income, or term, riders.

May Is permissive.

Minimum Death Benefit The amount of the guaranteed death benefit, other than incidental insurance benefits, payable under a variable life insurance policy, regardless of the investment performance of the separate account.

Net Investment Return The rate of investment return in a separate account to be applied to the benefit base.

Person An individual, corporation, partnership, association, trust, or fund.

Policy Processing Day The day on which charges authorized in the policy are deducted from the policy's cash value.

Scheduled Premium Policy Any variable life insurance policy under which both the amount and timing of premium payments are fixed by the insurer.

Separate Account A separate account established pursuant to Section 1500 of the Insurance Laws of this state or pursuant to the corresponding Section of the Insurance Laws of the state of domicile of a foreign or alien insurer.

Shall Is mandatory.

Variable Death Benefit The amount of the death benefit, other than incidental insurance benefits, payable under a variable life insurance policy dependent on the investment performance of the separate account, which the insurer would have to pay in the absence of any minimum death benefit.

Variable Life Insurance Policy Any individual policy which provides for life insurance the amount or duration of which varies according to the investment experience of any separate account or accounts established and maintained by the insurer as to such policy, pursuant to Section 1500 of the Insurance Laws of this state or pursuant to the corresponding Section of the Insurance Laws of the state of domicile of a foreign or alien insurer.

AUTHORITY NOTE: Promulgated in accordance with Title 22, Section 2 of the Insurance Laws of Louisiana.

HISTORICAL NOTE: Promulgated by the Department of Insurance, Commissioner of Insurance, LR 11:694 (July 1985).